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Section V - Implementation Considerations



A. Introduction

This section of the document represents a number of initial implementation considerations. Although a significant amount of discussion has taken place, there is a need for considerably more detailed work in preparation for implementation, particularly once the project workstreams have been defined.

Implementing the visions is a large and complex undertaking as the proposed changes affect the management processes of all agencies.

The importance and value of implementation planning cannot be overstated. The size and scale of the implementation project and the resources that will be involved requires an intensive mobilization stage during the Spring and Summer of 1997 to ensure:

- Additional visioning work in key areas such as General Ledger, has been completed;
- Broad-based consensus on visions and priorities has been built among stakeholders;
- Workstreams are prioritized and phased to ensure that mission critical tasks are achieved first;
- A program master plan has been structured to integrate all workstreams;
- Detailed workstream planning has been completed and includes project charters, activities, key milestones, pilots, and clearly defined deliverables;
- Resources are identified, trained and enrolled in the project;
- A project governance structure and approval/acceptance process is agreed upon and established;
- Additional communications and change management activities take place to deepen understanding and build momentum for the project.

In parallel with implementation, the day to day business of the State needs to continue, with minimal disruption.



B. Project Phases and Workstreams

To fully achieve the visions and successfully implement MT PRRIME, implementation activities will be grouped appropriately into workstreams and guided by an overall program master plan. An integrated plan is critical to facilitate the connectivity and linkages of an enterprise wide system.

The initial work streams have been defined as:

- Financial management;
- Human resource management; and,
- Asset management.

Project charters will be developed for each workstream, outlining objectives, scope, expected results, deliverables, methodology, interdependencies, timing, resourcing, and change management and communication strategies. Consideration will be given to a combination of:

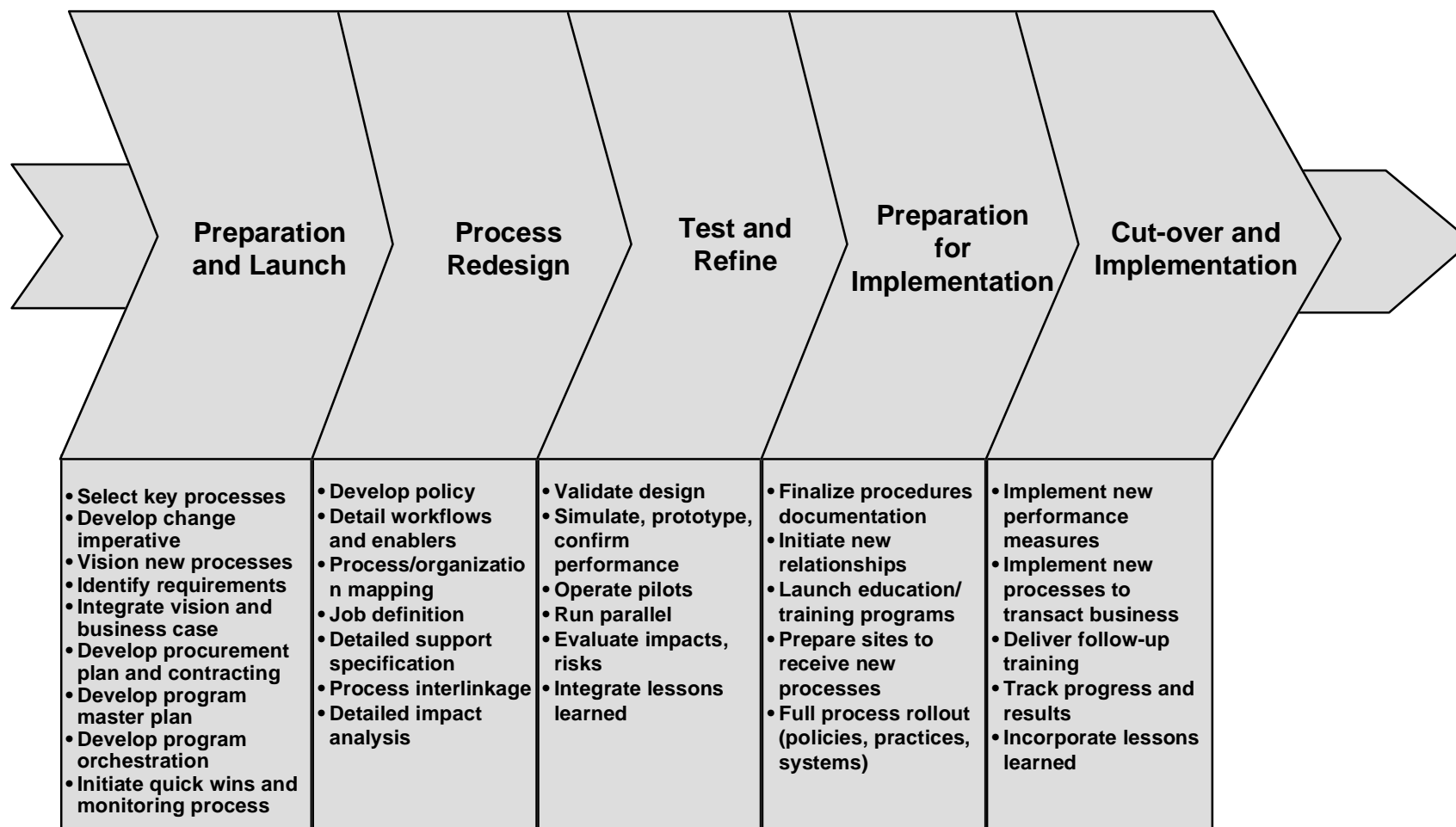
- A phased approach to implementing incremental changes on the way to achieving the overall fundamental changes;
- Pilot implementations of specific process changes to provide proof-of-concept for higher-risk changes; and,
- Parallel activities in all dimensions of the proposed changes including process, people, information technology and infrastructure.

Further refinement of these project charters will be undertaken during the mobilization stage of the implementation program and will impact on the specific mandate and scope of the workstreams.

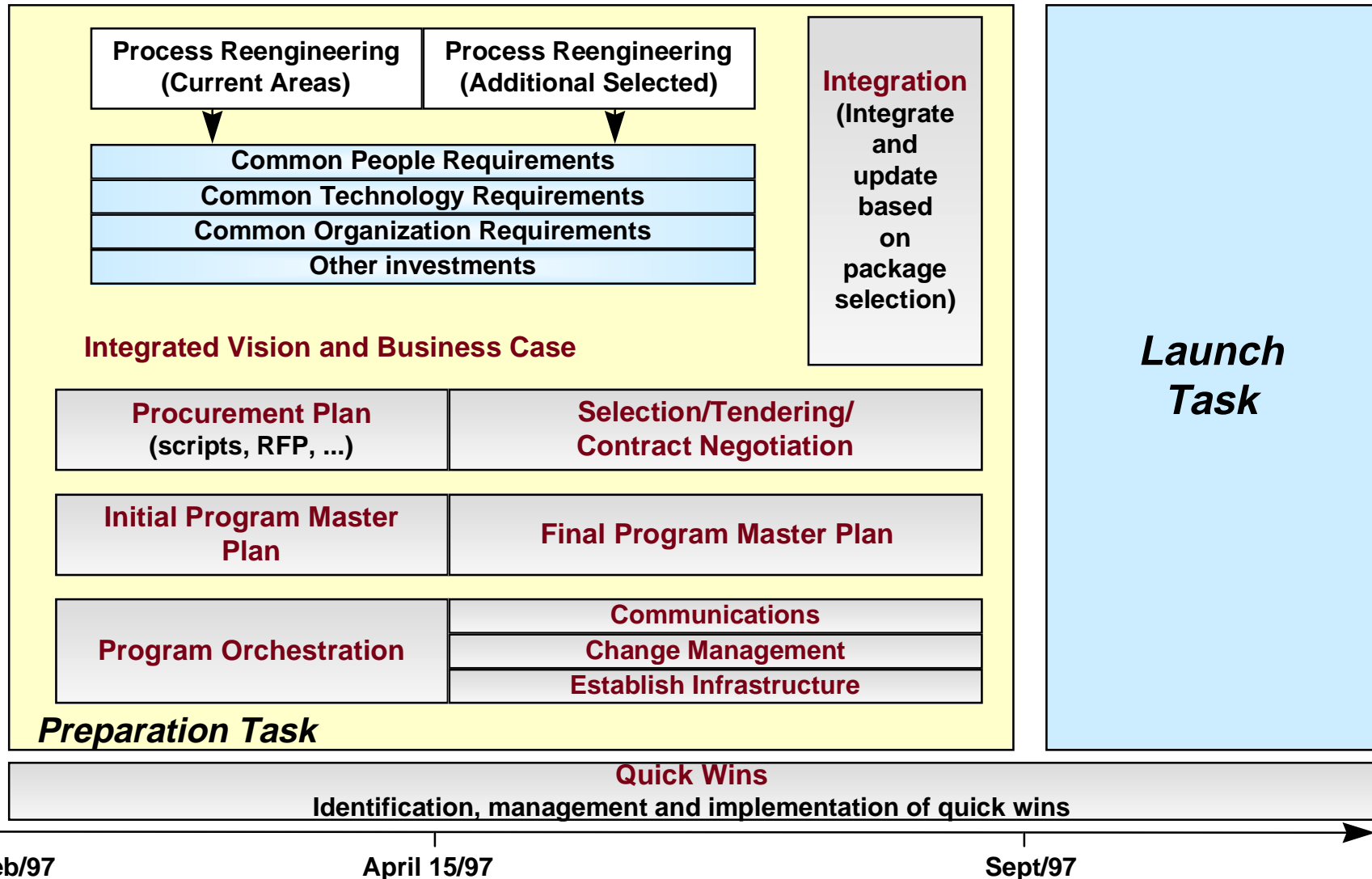


B. Project Phases and Workstreams

The diagram on this page illustrates the tasks associated with the next phase of the project. Additional detail is also provided on the preparation and launch task in order to guide the mobilization efforts.



B. Project Phases and Workstreams - Preparation and Launch Tasks





C. Key Success Factors

The concurrent implementation of redesigned processes and an enterprise wide system will fundamentally change the nature of how the state conducts business. This phase of the project will require a significant commitment of state resources and focused effort over the next several years.

A number of factors will be critical to successful implementation. These factors will be incorporated into a program master plan and orchestrated within a defined project governance structure.

- **Orientation Towards Results.** The outcomes and results that should be achieved in implementation will be identified and focused on in order to monitor progress and communicate success.
- **Identification of Key Decision Points.** Senior management needs to agree on priorities, guided by mission critical tasks and resource availability. Key management decisions will be identified in addition to the on/off ramps for the project.
- **Clear Program Governance.** The project should be centrally managed to ensure design integration and successful cross-agency implementation. This project governance structure would include clearly defined program and workstream accountability, decision-makers, processes for approval and acceptance and stakeholder involvement. Early appointment of key project resources will be critical.
- **Procurement.** The procurement will be based upon an overall approach (i.e. funding, penalties, risks) and a clearly defined approval process (legalities, definition of success). It will incorporate the agreed upon functionality into scripts for use by vendors.
- **Self-funding.** Funds will be obtained to pay back the investment, potentially where savings have been identified from process redesign. The capture, management and accounting of savings will need to be monitored to demonstrate success. Implementation will be time-phased to ensure that benefits are achieved early. This will maintain momentum and generate funds to pay for the system and for any additional implementation costs.
- **Strong Project Planning.** Workstreams, linkages, interdependencies, and convergence points (i.e. with revenue) will need to be identified within an overall timeframe. Risk management will be considered and supported by contingency planning. Key implementation points will be identified, including promulgation in the line organizations.
- **Active Change Management and Communications.** Active management of the change is required on an ongoing basis, shifting activities to reflect key milestones. Broad stakeholder representation, early involvement of employees and open, timely communications will be critical to the success of the project.



D. Program Orchestration

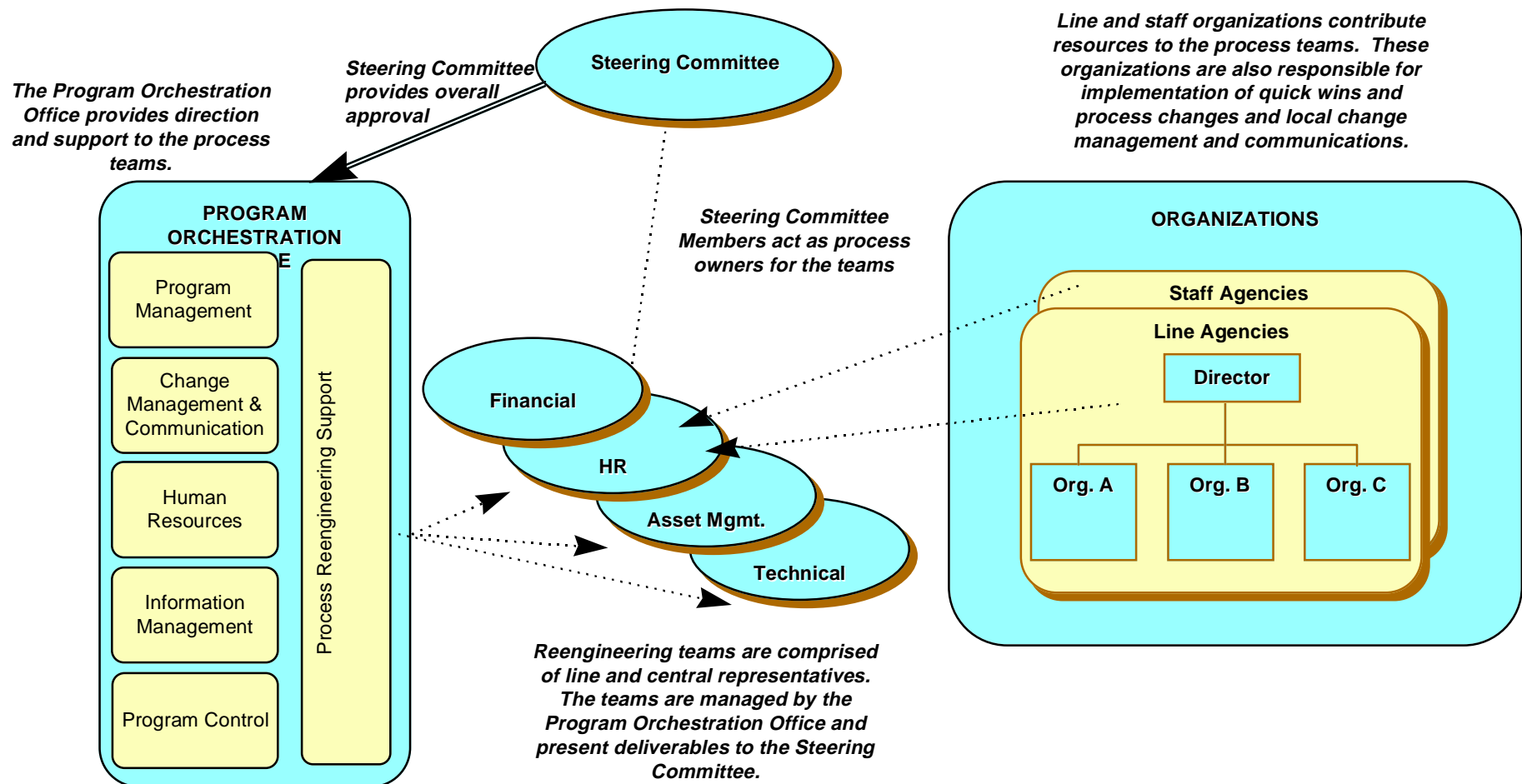
Program orchestration will ensure that the critical success factors are managed throughout the course of the project. Program orchestration includes a number of activities, many of which support the work of the process teams.

PROGRAM MANAGEMENT <ul style="list-style-type: none"> • Program Master Plan coordination • Work program and deliverable management and prioritization • Issue identification and resolution • Risk management • Relationship management • Design integration and coordination with system implementation • Program and process performance, monitoring of savings. 	PROCESS REENGINEERING SUPPORT <ul style="list-style-type: none"> • Process reengineering strategy • Reengineering training • Expert assistance 	CHANGE MANAGEMENT AND COMMUNICATION <ul style="list-style-type: none"> • Change management strategy • Environmental assessment • Change management awareness and training • Communication strategy • Communication training • Design and delivery of ongoing communication program
HUMAN RESOURCES <ul style="list-style-type: none"> • Organization design support • Job classification • Placement and redeployment • Workforce revitalization • Training • Personnel relations • Rewards and recognition 	INFORMATION MANAGEMENT <ul style="list-style-type: none"> • Planning and coordination • Architecture development • Systems delivery • Systems operations 	PROGRAM CONTROL <ul style="list-style-type: none"> • Program secretariat • Contract management • Budget management and cost control • General program administration • Facilities management



E. Program Governance

The diagram below illustrates the recommended project governance structure.

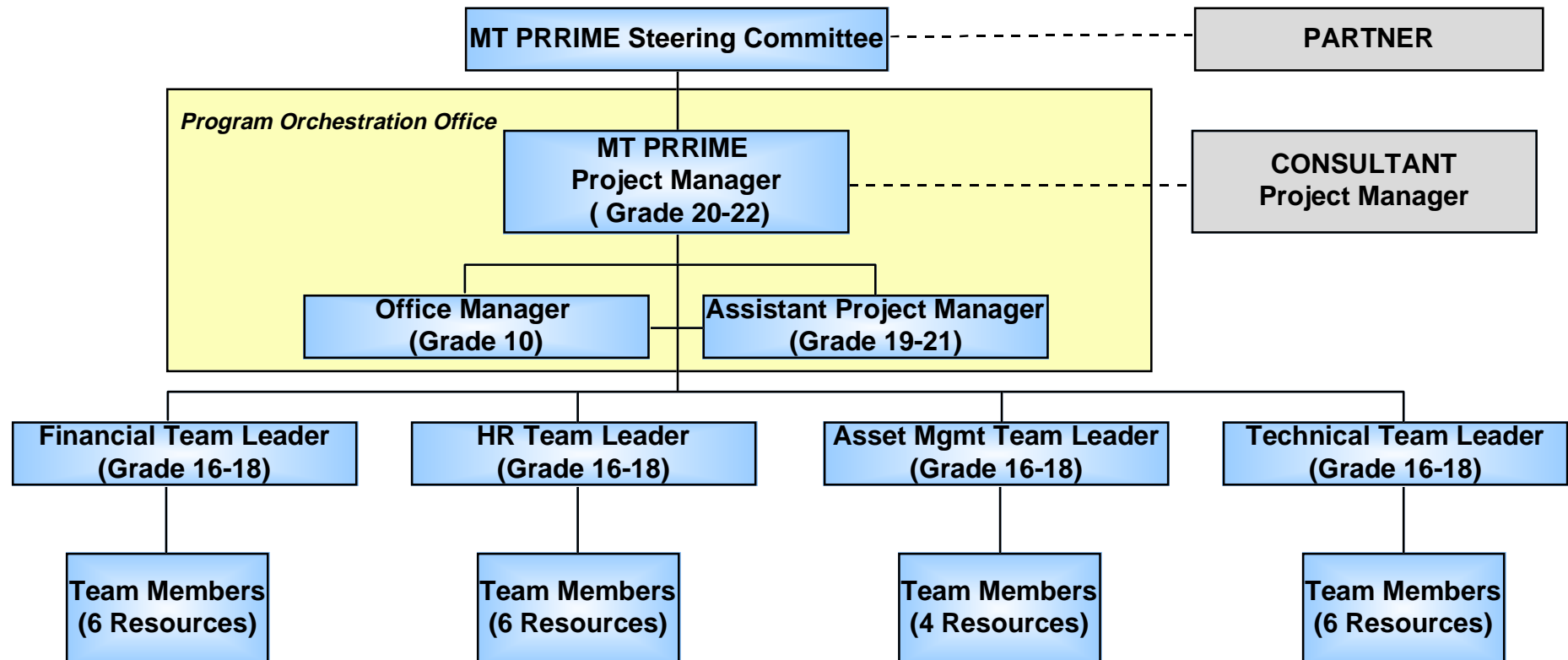




E. Program Governance

The diagram below provides additional detail on the project governance structure. This diagram shows team leaders for each of the workstreams, guided by a project manager, with key decisions made by a Steering Committee.

A parallel structure would exist within the consultant organization, with a Project Manager guiding the efforts of consulting resources that are assigned to different workstreams.





E. Program Governance

Roles and responsibilities within the project governance structure are described as follows:

- **MT PRRIME Steering Committee**

- * Championing and support of the project throughout the state;
- * Provide information, insight and feedback;
- * Issue resolution; and,
- * Decision-making for specified deliverables.

- **Project Manager**

- * Guidance, direction, integration, coordination and project orchestration for the overall project;
- * Leadership to team leaders;
- * Track and report on project successes and progress;
- * Coordination of change management activities;
- * Project communications and stakeholder relations; and,
- * Presentation of deliverables and lead discussion of key issues with the steering committee.

- **Assistant Project Manager**

- * Chief of staff support to Project Manager;
- * Master program planning and monitoring of progress of each of the process areas;
- * Budgetary control;
- * Identify cross-process linkages and issues;
- * Cross functional deliverable development;
- * Change management and communication;
- * Coach team leaders; and,
- * Act as Project Manager in his/her absence.



E. Program Governance

• Office Manager

- * Arrange for meeting space, facilities, materials;
- * Develop and distribute communications materials;
- * Documentation filing;
- * Maintain project plan; and,
- * Maintain mailing lists.

• Team Leaders

- * Resource scheduling and work allocation;
- * Highly visible change leadership role;
- * Communications and stakeholder management for process area;
- * Technical and functional leadership;
- * Coaching and development of team members;
- * Key deliverable development;
- * Raise issues for resolution; and,
- * Status reporting and monitoring;

• Team Members

- * Lead work in their area of expertise;
- * Key deliverable development; and,
- * Change leadership and communications role.

• Consultants

- * Challenge the teams and use expertise and methodologies to contribute to the development of deliverables;
- * Assist the Team Leader in facilitating the work of the team;
- * Assist team members in producing work products and deliverables; and,
- * Anticipate issues to allow for systematic resolution.



F. Resource Requirements

- Phase 3 of the MT PRRIME project will require up to 29 full time state team members, supported by a comparable number of consulting resources.
- All resources will be dedicated full-time to the project, for a period of up to 18 months.
- Resources will be based in Helena.
- Resources will be chosen to bring a balance of 'central administrative' and 'agency' perspectives to the project. Resources will also represent all users of the process.
- As the system begins to be implemented, a number of the resources will likely transition into ongoing management and support of these processes and will form the 'back bones' of the new organization.
- Resources will be identified in the July timeframe to allow Agencies the opportunity to backfill these positions. This will also provide an opportunity for project mobilization, work planning, knowledge transfer, and project launch.
- The following slides provide additional detail on resource requirements.



F. Resource Requirements - Functional Expertise



The project will require functional expertise across all of the in-scope process areas. Functional resources are those that have expertise in the process area being redesigned (i.e. finance, human resources, asset management).

Ideally, resources will be strong in one functional area with experience in one other area. As a guideline:

- 2-4 years of experience in the functional area -- understanding of existing systems, procedures and structures without strong ownership of the status quo; and,
- 1-2 years of experience working in other related functional areas.

Functional resources on the teams would ideally have the following skills and talents:

- Experienced in working in a team environment;
- Natural inquisitiveness for new technology;
- Able to cope in a highly ambiguous environment, with above average levels of uncertainty;
- Oriented towards project work, with a strong appreciation for meeting deadlines and commitments that may require working long hours;
- Willingness to take on new, or out of the ordinary tasks, such as document development, test data development, report design, process design, etc.;
- 'Best and brightest' with critical thinking skills;
- Strong communication skills (written, oral), analytical skills;
- Well respected by both management and peers; and,
- Some degree of computer literacy and capability to learn.





F. Resource Requirements - Technical Expertise

Technical Resources include expertise in personal computers, networking, databases, and client server.

The project will require strong technical expertise. Technical resources should have 2-4 years of experience with an understanding of existing systems and a willingness to support significant changes to those systems.

Technical resources can be provided by any organization but ideally from the Department of Administration to support the knowledge transfer that is necessary to support the future system.

Technical resources would ideally have the following skills and talents:

- Experienced in working in a team environment;
- Strong technical skills and knowledge of existing systems;
- Natural inquisitiveness for new technology;
- Able to cope in a highly ambiguous environment, with above average levels of uncertainty;
- Oriented towards project work, with a strong appreciation for meeting deadlines and commitments;
- Willingness to take on new, or out of the ordinary tasks, such as document development, test data development, report design, process design, etc.; and,
- Strong communication skills (written, oral) and analytical skills.



The project will also require a full time office manager, who reserves rooms and travel, prepares and issues correspondence, prepares fax and copies, etc.



F. Resource Requirements - Project Manager and Assistant Project Manager

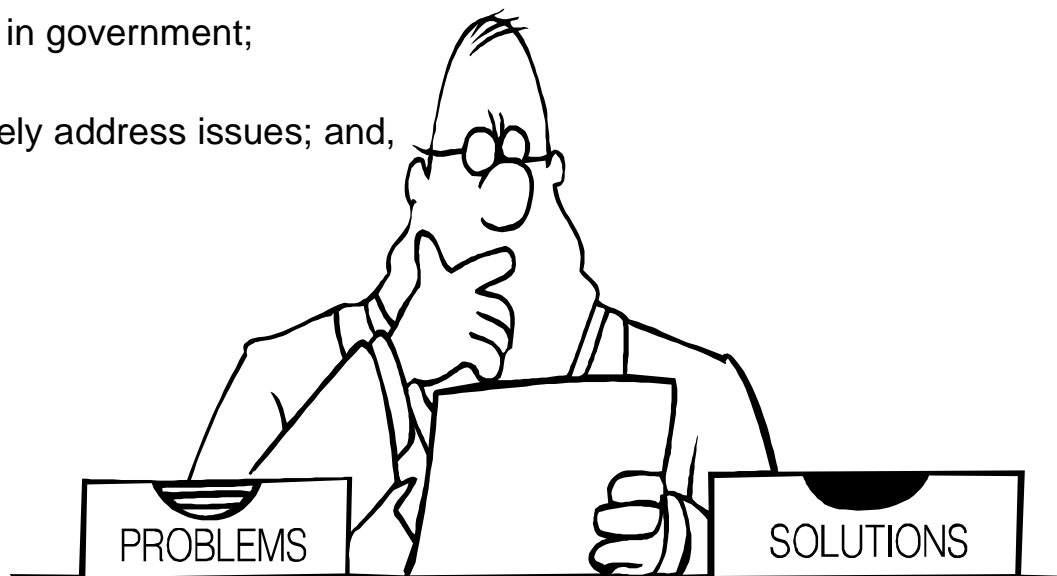
A Project Manager will be appointed to oversee the successful implementation of the project. The Project Manager will be supported by an Assistant Project Manager.

The Project Manager would be at a 20 to 22 classification grade in the State.

The Assistant Project Manager would be at a 19 to 21 classification grade in the State.

Both the Project Manager and Assistant Project Manager will ideally have the following characteristics:

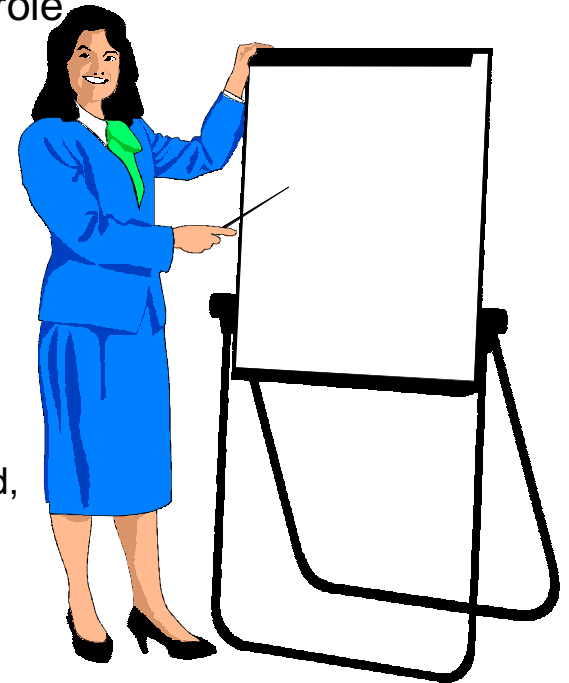
- A proven record of executive project management experience;
- Strong marketing and selling skills;
- A strong business background and practical experience in a number of the functional areas (finance, HR and assets);
- The respect of executive management in government;
- Is at or near director level;
- Is able to broker decisions and effectively address issues; and,
- Is action-oriented.



F. Resource Requirements - Team Leaders



- There would be team leaders dedicated to each of the four process areas:
 - Financial Management;
 - Human Resource Management;
 - Asset Management; and,
 - Technical Expertise.
- Team leaders would be at a 16 to 18 classification grade in the State, although this may be deemed a development role.
- The team leaders have similar characteristics to the functional and technical resources, in addition to the following:
 - Project management experience;
 - Stronger functional and technical skills, with greater breadth;
 - Team player with coaching experience;
 - Ideally would be a mid-level manager or unit head; and,
 - Strong orientation towards shaping the future environment.





F. Resource Requirements - Number of State Resources

The diagram below indicates a preliminary assessment of the number of resources required. This will need to be refined as the detailed planning of the workstreams is finalized.

Project Orchestration

- Project Manager (1)
- Assistant Project Manager (1)
- Administrative Support (1)

Financial Processes Workstream

- Team Leader (1)
- Budgeting and Forecasting (1)
- General Ledger/General Accounting/Treasury (1)
- Expenses Processing and Accounts Payable (2)
- Revenue Collection and Accounts Receivable (1)
- Grant Processing (1)

Asset Management Processes Workstream

- Team Leader (1)
- Purchasing (1)
- Fixed Asset Management (1)
- Inventory (1)
- Logistics (1)

HR Processes Workstream

- Team Leader (1)
- HR Information Management (2)
- Staffing (1)
- Payroll (2)
- Benefits Administration (1)

Technical Expertise

- Team Leader (1)
- Oracle database administration (1)
- Server setup, operating system (1)
- Programmer/Analyst (4)

**Total Number of State Resources
- 29 FTEs**

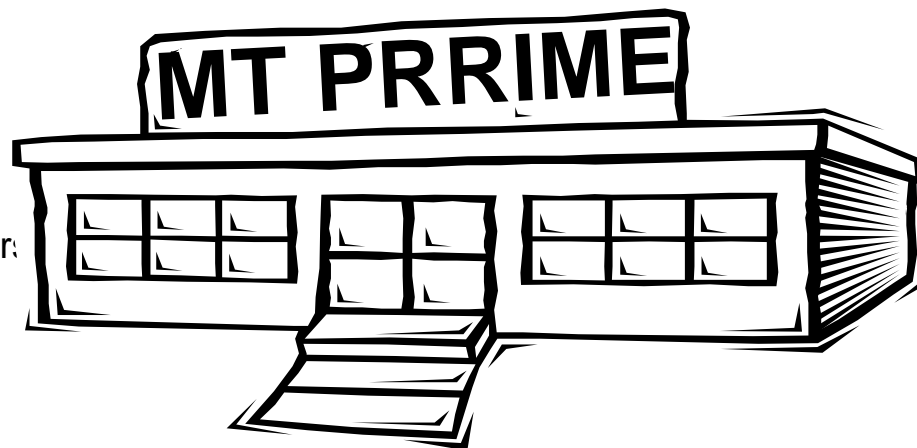
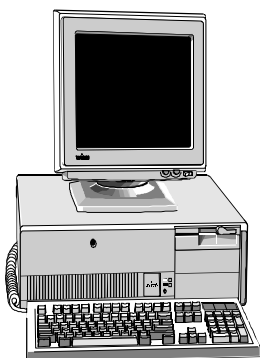


G. Facility and IT Requirements

Ideally, the project team will work collectively out of one facility to enable fast decision making and facilitate knowledge sharing and communication.

The facility would ideally have the following characteristics:

- Open concept seating, which can also serve as a full team meeting room;
- Four separate walled meeting spaces for working sessions and interviews;
- One desk, phone and networked computer for each assigned resource (approximately 55 spaces);
- One fax machine;
- Workstations to have Lotus Suite, Lotus Notes, Netscape, Internet access, voice messaging, and two phone lines for selected work stations;
- Four high capacity printers;
- Three electronic white boards;
- One LCD display device;
- Access to State's e-mail and LAN;
- Ample filing space and filing cabinets;
- Space for all technology, including servers, router, etc.; and,
- Two photocopiers.



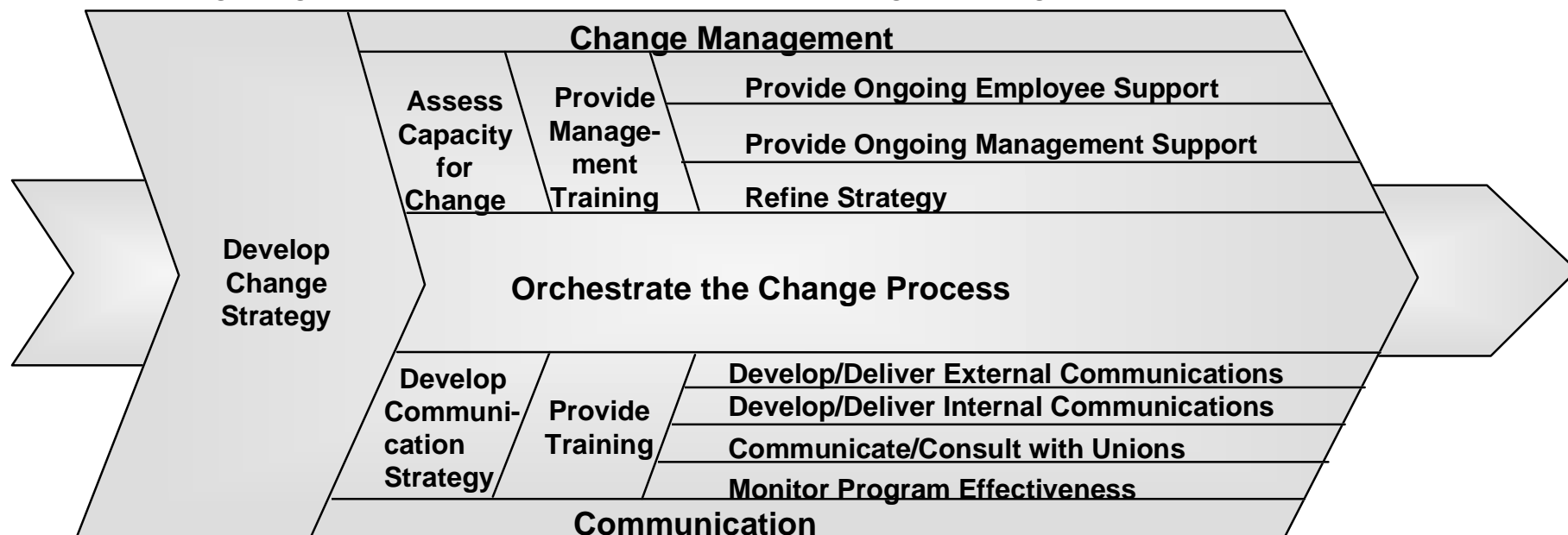


H. Change Management and Communications

Many of the proposed approaches represent substantial changes in the way the State conducts business. In addition to process and system changes, implementation of the visions will have significant implications for the culture of the State Government.

Communications will also play a key role in obtaining acceptance from stakeholders on the emerging visions and the changes that will result from implementation. Expectations about the speed and extent of implementation will need to be carefully managed.

The following diagram illustrates an approach to change management and communication.



The following pages identify additional considerations and potential activities in the areas of change management and communication.

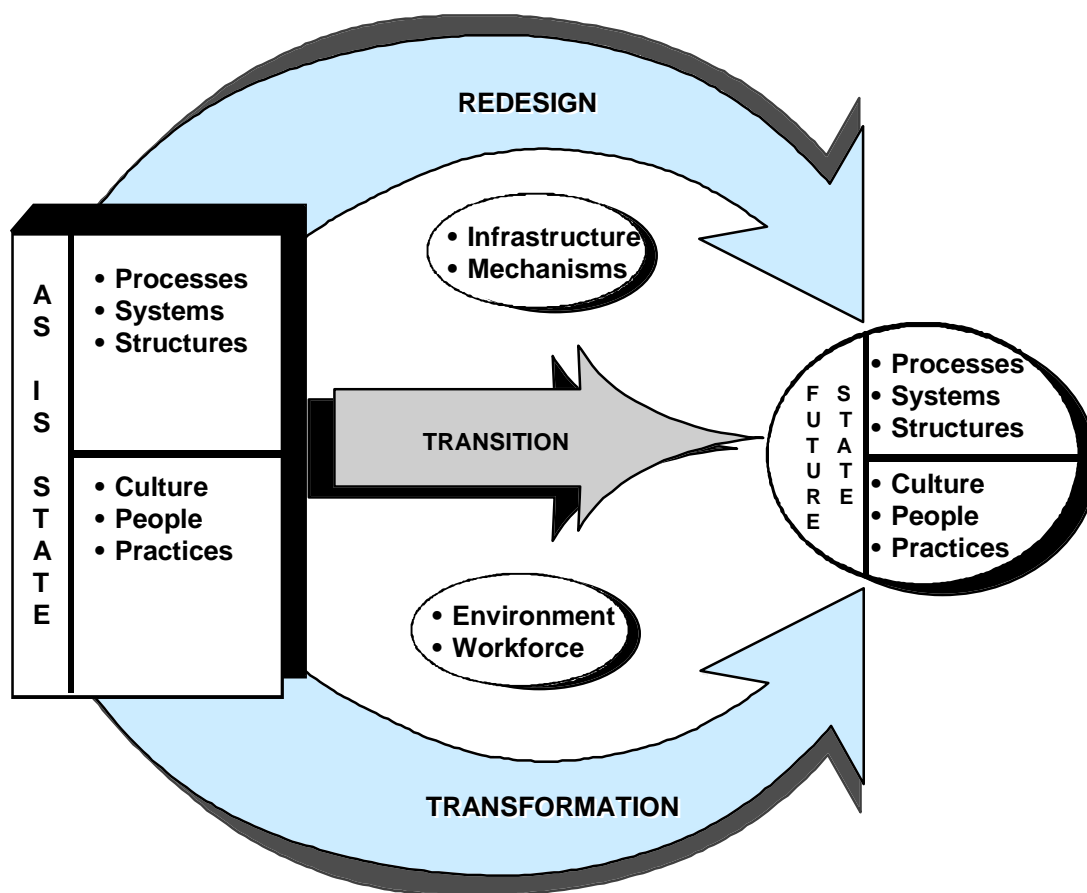


H. Change Management and Communications

This Change Management Model identifies the different aspects of change from visioning through to implementation that will be addressed. These include the following dimensions:

- **Redesign** is the redefinition and reengineering of processes, systems and structures. It establishes the infrastructure for business operations in the target environment.
- **Transition** relates to the process for managing the migration of the organization, its processes and people from the current to the future environment.
- **Transformation** refers to the major cultural, environmental and personal changes that will be required to operate in the way that the proposed redesign requires.

Understanding the nature and implications of these changes and managing the change process is crucial to successful implementation.





H. Change Management and Communications

The objectives of communications during the next phase are:

- * Statewide understanding of the imperative to change, acceptance of the emerging visions, and knowledge of the impacts of implementation.
- * Active management of the transformation of the State, its systems, processes and people from the current to the future environment.

Potential Communications Activities:

- Hold brown bag lunches where employees can attend presentations outlining the emerging visions and where they can contribute their best practices and ideas or communicate their concerns.
- Set up an e-mail address for employees to submit questions or ideas, ensuring confidentiality.
- Expand the MT PRRIME Newsletter to include:
 - * Responses to common concerns of employees;
 - * Quick wins that have been implemented, including benefits and savings;
 - * A status report on the project;
 - * Highlight a best practice, lesson learned or accomplishment; and
 - * Information on how employees can contribute to the project.
- Distribute the MT PRRIME Newsletter to all employees via Zip mail.
- Prepare a presentation package for agencies to use when communicating with their employees.
- Produce color diagrams of new process maps and post in State buildings.
- Schedule time on the agenda of existing forums (i.e. the Purchasing Users Group) to have discussions.
- Include information on the Web Page for external audiences.
- Schedule a Vision Fair/Open House to illustrate the old and new processes in an interactive and exciting way.
- Initiate union communications.
- Celebration of key milestones.
- Invite key stakeholders and private sector organizations (i.e. vendors, academics) to provide feedback on key deliverables.

